

**MINUTES OF THE
BUSINESS AND LABOR INTERIM COMMITTEE**

Wednesday, September 21, 2005 – 8:30 a.m. – Room W125 House Building

Members Present:

Sen. Scott K. Jenkins, Senate Chair
Rep. Stephen D. Clark, House Chair
Sen. Thomas V. Hatch
Sen. John W. Hickman
Sen. Ed Mayne
Sen. Michael G. Waddoups
Rep. J. Stuart Adams
Rep. Jackie Biskupski
Rep. Carl W. Duckworth
Rep. James A. Dunnigan
Rep. Craig A. Frank
Rep. Neil A. Hansen
Rep. Todd E. Kiser

Rep. Michael T. Morley
Rep. Curtis Oda
Rep. Gordon E. Snow
Rep. Scott L. Wyatt

Members Absent:

Sen. Gene Davis
Rep. David Clark

Staff Present:

Ms. Allison Morgan, Policy Analyst
Ms. Patricia Owen, Associate General Counsel
Ms. Tracey Fredman, Legislative Secretary

Note: A list of others present, copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Jenkins called the meeting to order at 8:40 a.m.

MOTION: Sen. Hickman moved to approve the minutes of the July 20, 2005 meeting. The motion passed unanimously. Sen. Waddoups, Rep. Adams, Rep. Hansen, and Rep. Morley were absent for the vote.

2. HIPUtah Report

Ms. Tomi Ossana, Executive Director, HIPUtah, distributed and presented an overview of "HIPUtah's Funding Crisis" and "HIPUtah History of Appropriations, Premiums, Claims, and Enrollment," and responded to questions from the Committee. Rep. Dunnigan also responded to questions regarding the report.

3. Healthcare Solutions Report

Rep. Oda and Rep. Eric Hutchings reported on their findings regarding solutions to the rising cost of healthcare. They commented that due to the complexity of the problem, they were not yet ready to propose any specific legislative solutions.

4. Two-Tier Annuities

Mr. Paul Kohls, Assistant Vice President, Allianz Life, distributed and reviewed "Two-tier Annuities, Providing Greater Choice for Utah Residents," and a packet containing "Two-tier Annuity Fact Sheet," "MasterDex 10 Annuity from Allianz Life," "MasterDex 10 Annuity Statement of Understanding," and "Product Suitability Form." Mr. Kohls and Mr. David Sandberg, Vice President, Allianz Life, spoke in favor of allowing the sale of two-tier annuities in the Utah marketplace.

Mr. Mike Stevens, Utah Association of Insurance and Financial Advisors, spoke against changing the non-forfeiture provisions of the Utah Code.

Mr. Glen Weeks, Retired Financial and Business Consultant, distributed and reviewed "Guidelines for Tax Deferred Annuity Programs," He spoke against the sale of two-tier annuities in the state, and encouraged full disclosure requirements.

Mr. Tomasz Serbinowski, Actuary, Department of Insurance, explained the non forfeiture provisions of the Utah Code and why two-tier annuities do not meet these provisions.

5. Consumer Rights, Vehicle Repairs

Rep. Kiser introduced the issue.

Mr. Wayne Jones, Independent Auto Dealers Association, discussed provisions contained in the draft bill "Motor Vehicle Repairs - Consumer Rights," as distributed in the mailing packet. He spoke in favor of the bill.

Mr. Gary Thorup, Attorney, Holme Roberts and Owen LLP, commented that he would like the opportunity to see the draft before supporting or opposing the bill.

Rep. Kiser requested a meeting with stakeholders and Rep. Oda, and that draft legislation be considered in November.

6. Section 70C-8-102, Department of Financial Institutions (Report)

A written report by Mr. Ed Leary, Commissioner, Department of Financial Institutions, was distributed titled "Fourth Report of the Department of Financial Institutions Pursuant to 70C-8-102 Consumer Credit Education."

Due to lack of time, this item was not discussed.

7. Title 13, Chapter 16: Motor Fuel Marketing Act (Sunset)

Due to lack of time, this item was not discussed.

8. Other Items/Adjourn

MOTION: Rep. Frank moved to adjourn the meeting. The motion passed unanimously. Sen. Mayne, Sen. Hatch, Sen. Hickman, Rep. Adams, Rep. Morley, and Rep. Duckworth were absent for the vote.

Chair Jenkins adjourned the meeting at 11:02 p.m.

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